



1201 W. 5<sup>th</sup> St. T-205  
Los Angeles, CA 90017  
Ph: (213) 534-3026  
Fax: (213) 534-3027  
www.nhmc.org

**Testimony of**  
**Alex Nogales**  
**President & CEO of the National Hispanic Media Coalition**  
**Before the**  
**Subcommittee on Telecommunications and the Internet of the**  
**Committee on Energy and Commerce**  
**House of Representatives**

**March 28, 2007**

Mr. Chairman and members of the Subcommittee, thank you for giving me the opportunity to speak to you today about the National Hispanic Media Coalition's (NHMC) concerns regarding the Status of the Digital Television Transition.

My name is Alex Nogales; I am the President and CEO of NHMC. NHMC is a 21-year old non-profit Latino civil rights, advocacy organization based in Los Angeles, California. We have 13 Chapters nationwide and our mission is to 1) improve the image of American Latinos as portrayed by the media; 2) increase the number of American Latinos employed in all facets of media; and 3) advocate for media and telecommunications policies that benefit the Latino community. NHMC is also the Secretariat for the National Latino Media Council, a national coalition comprised of 15 of the largest Latino Civil Rights Advocacy groups in the nation. Additionally, NHMC is

*Alex Nogales 3/28/07 testimony on the Status of the Digital Television Transition*

an Executive Committee Member of the Media and Democracy Coalition, a national coalition comprised of many of the largest mainstream media and consumer advocacy groups in the nation.

The transition from analog to digital television brings great opportunities but also great challenges. In 2005, the Government Accountability Office (GAO) reported that 21 million U.S. households rely solely on over-the-air television. Of these households, about 48% earn less than \$30,000 per year per household. These 21 million households include a disproportionate number of Spanish language speakers: one-third or 7 million people who will be impacted by the digital transition are Spanish language speakers. It is also estimated that one-third of the 21 million households include residents over the age of fifty, many of whom live on fixed-incomes; millions of these households will be in rural areas or will include persons with disabilities. Further, according to the National Association of Broadcasters (NAB), African-American households are 22% more likely to rely exclusively on over-the-air reception.

In summary, households impacted by the digital transition will be minorities, low-income families, living on a fixed-income, and requiring a well-defined and more specific educational outreach campaign than the overall population requires. I will refer to the groups that I just mentioned as our target groups or target population.

*Alex Nogales 3/28/07 testimony on the Status of the Digital Television Transition*

A more specific educational outreach campaign to these target populations **must** be proactive, consumer-friendly and culturally, linguistically sensitive. Appropriate outreach to disabled, minority, rural, low-income and senior citizens is essential. For example, the public service announcements promoting this initiative must include closed captioning for the hearing impaired and should be available in Spanish as well as other relevant languages. The call-in centers handling the voucher questions must include live-operators that include Spanish-speakers, wait time should not go over ten minutes and must accommodate telecom relay services that make it easier for the deaf to communicate by phone. And it is not sufficient to translate the English materials to Spanish. Those doing the outreach must communicate with Spanish speakers in a manner where their message will be understood. Cultural awareness here is fundamental for the outreach campaign to be successful.

Congress allocated \$5 million to the National Telecommunication and Information Administration (NTIA) to educate consumers about the DTV coupon program. The Federal Communications Commission (FCC) has only requested \$1.5 million for consumer education effort in its 2008 budget request. That's a total of \$6.5 million to educate 300 million people, about 2 cents per person. To put this in perspective, when Berlin, Germany transitioned to DTV, it spent \$984,000 to educate about three million people, or 33 cents per person. Why is the City of Berlin willing to make this expenditure on its citizens, but our Nation is not?

*Alex Nogales 3/28/07 testimony on the Status of the Digital Television Transition*

Furthermore, the FCC does not plan to begin its public education campaign until 2008, when the converter box coupons and the boxes are expected to be available on January 1, 2008. In our opinion, the FCC campaign is starting a year late. Consumers need to know about the DTV transition generally, and the coupon program specifically, as soon as possible, but certainly well before NTIA makes the coupons available to the public.

We strongly encourage the NTIA to bring in community based organizations (CBOs) that represent the disabled, minority, rural and senior advocates that will help develop a thorough outreach plan to ensure that the outreach and educational component of this program is solid and has no holes. We can't afford to make mistakes on a program that is a first-come, first-serve program where the populations that are in most need of these coupons run the risk of being the last to hear about the program. Already, we see problems with the so-called one-stop clearinghouse of consumer information and tools promoted by NTIA and hosted by the DTV Transition Coalition. Its website [www.dtvtransition.org](http://www.dtvtransition.org) has no consumer information in Spanish. How is that possible when we already know that one-third of the 21 million households that should be targeted consist of Spanish Speakers?

NAB estimates that about 5 percent of the population knows that the digital transition is taking place. I suspect the NAB is being optimistic. Not many people outside the Beltway have heard about the digital transition and its possible impact on their households. This past weekend I was in Calexico, California visiting my family, most of whom are bilinguals, Spanish/English. Calexico is a rural area right on the border with

*Alex Nogales 3/28/07 testimony on the Status of the Digital Television Transition*

Mexicali, Mexico. While having supper I asked the seven heads of households sitting at the table if they knew about the digital transition. None of them did, nor did they understand how it was going to impact them. This was not a scientific poll, granted, but I'm inclined to believe the target population, my large family included, is oblivious to the digital transition and the effect it will have on them. If the target population doesn't learn of the transition until the year it is going to take place, then I don't think we are ready to transition to digital.

Obviously, not enough has been done so far to educate our target groups that this historic change is taking place and that their over-the-air televisions will go dark after February 17, 2009 without a converter box. The outreach program needs to start today and more effort needs to be made by the NTIA, FCC and the DTV Transition Coalition to reach community-based organizations that focus on the target groups. We need more people outside of D.C. to know about the transition and be able to communicate in a clear and understandable manner to those that will be impacted.

Finally, NHMC objects to the two-phase plan that NTIA is proposing for the distribution of the coupons. In the first phase, where \$990,000,000 is allocated, pay-TV customers will be able to apply for up to two \$40 coupons per household to purchase converter boxes. The second phase is only open to households that certify in writing that they rely on over-the-air reception. So once the \$990,000,000 is spent, those that apply late or do not find out about the coupon program in time will be burdened by an added certification that may deter them from applying. Changing eligibility mid-course will result in

*Alex Nogales 3/28/07 testimony on the Status of the Digital Television Transition*

needless customer confusion. Indeed, the certification will be a deterrent to low-income families, especially those that do not dominate the English language. Ladies and gentleman, I have no doubt that the disenfranchised population that will be the most impacted by the digital transition will be the last to apply for the coupons. This being the case, having to certify in writing that they rely on over the air reception is just adding an additional burden that will lock many of them from applying for converter boxes. A two phase-plan with an added burden for those that are hardest to reach doesn't make a lot of sense. If the reason for this two-phase system is because NTIA thinks there is a likelihood that the program will run out of funds before all the impacted households have obtained their coupons, then NTIA should go back to Congress and ask for additional funding.

*Alex Nogales 3/28/07 testimony on the Status of the Digital Television Transition*

Summary:

- A well-funded pro-active, consumer-friendly, and culturally sensitive outreach program needs to begin as soon as possible and should include a well-coordinated campaign that includes CBOs working closely with the NTIA.
- The money that is projected to be spent on the educational outreach program is not enough and should be supplemented.
- Since a predominantly high number of Spanish-speakers will be impacted by this transition, bilingual and bi-cultural staff is essential. For any educational campaign to be effective it's not only relevant that the person be able to speak the language but also understand the culture.
- English-written materials should not be translated to Spanish as they are seldom culturally effective. Materials to the Spanish-speaking should be original and the appropriate place to advertise to Latinos should be carefully considered. For example, Latinos more than anyone else consume a great deal of radio programming.
- A two-phase program with an added burdensome requirement for those that apply later doesn't make sense and should be combined into one program without the certification requirement.